



SPECIAL MEETING

COMMON COUNCIL MIDDLETOWN, CONNECTICUT

THURSDAY, JANUARY 13, 2022
IMMEDIATELY FOLLOWING
THE COMMUNITY MEETING AT 6:30 PM
AND
THE TAX ORDINANCE WORKSHOP

MINUTES

A Special Meeting of the Common Council of the City of Middletown was held on Thursday, January 14, 2022, immediately following the Community Meeting at 6:30 PM and the Tax Ordinance Workshop. This meeting was fully remote via WebEx. The meeting was also livestreamed on the City's Facebook page.

Present:

Councilwoman Jeanette Blackwell
Councilwoman Meghan Carta
Councilman Grady Faulkner, Jr.
Councilman Edward Ford, Jr.
Councilman Anthony Gennaro, Sr.

Councilman Vincent Loffredo
Councilman Anthony Mangiafico
Councilman Edward McKeon
Councilman Eugene Nocera
Councilman Philipp Pessina
Councilwoman Linda Salafia

Mayor Benjamin D. Florsheim, Chair
Corporation Counsel Daniel Ryan, Esq.
Linda Reed, Clerk of the Common Council

Absent: Councilman Darnell Ford

Also Present:

Department of Community & Economic Development – Joseph Samolis, Director
Office of General Counsel -- Big Smith, Esq.

Members of the Public: WebEx 3 Facebook (unknown)

1. Call to Order

A. Pledge of Allegiance

Mayor Benjamin Florsheim calls the meeting to order at 8:09 PM. He welcomes everyone to the Special Meeting of the Common Council. The Chair asks Councilman Philip Pessina to lead the Common Council in the Pledge of Allegiance.

B. Council Clerk Reads the *Call of the Meeting* and Chair declares call a legal call and meeting a legal meeting

The Clerk of the Common Council reads the *Call of the Meeting* and the Chair declares the call a legal call and the meeting a legal meeting.

2. Public Comment Opens

The Chair opens public hearing at 8:11 PM. Any member of the public wishing to speak may either step to the podium or indicate by raising their hand using the WebEx function. When called on, they are asked to state their name and address for the record. Councilmembers are here to listen, not to engage in dialogue. The Council will not be taking any action. People having a particular issue are welcome to contact individual Council members or the Mayor's Office. Speakers are asked to limit comments to five (5) minutes. The Chair also states that, if anyone is calling by phone, they may press *3 to indicate that they wish to speak.

Jeff Puglise (Middlesex County Chamber of Commerce, 393 Main Street): As the Chamber Vice-President, he is speaking to offer the Chamber's strong support for the City's for its submission of the Connecticut Challenges Grant, which is through the Connecticut Department of Economic and Community Development (DECD). The Chamber has been a supporter of this since the parameters of this grant were released. They look forward to being a constructive partner. They are in constant contact with City staff -- Joseph Samolis (Economic & Community Development Director) and Thomas Marano (Economic Development Specialist) -- and Mayor Florsheim as they construct this application. They look forward to creating an outstanding outcome for Downtown Middletown, which is a gem in the City and the State, a true economic development corridor. He

adds that whatever they can do to support. In furtherance of this application, the Chamber wants to do this. It values the City of Middletown above everything else in its operations. The Chamber wants to have its support for this application on the record and affirm its commitment to it, whatever it can do to support the development of these downtown properties. They also want to be sure that its entrepreneurial arm – Mews + - is very much involved in this effort. He reiterates that the Chamber wants to be on record as supporting this application, he will be available for the duration of this meeting. The Chamber wholeheartedly support submission of this application to DECD.

3. Public Comment Closes

There being no further public comment, the public hearing is closed at 8:14 PM.

4. Resolution

- A. Approving that the City of Middletown is cognizant of the conditions and prerequisites, including the match obligations for the state financial assistance imposed by Public Act No. 21-2 (2021), Sec. 488, the CT Communities Challenge Grant (CCCG) program; and that the filing of an application for State financial assistance by City of Middletown in an amount not to exceed \$6,000,000 is hereby approved; and that Mayor is directed to execute and file such application with the Connecticut Department of Economic and Community Development, to provide such additional information, to execute such other documents as may be required, subject to review of such documents by the Office of General Counsel as to form and content; and to execute an Assistance Agreement with the State of Connecticut for State financial assistance, if such an agreement is offered, subject to review of such documents by the Office of General Counsel as to form and content; and to execute any amendments, decisions, and revisions thereto, subject to review of such documents by the Office of General Counsel as to form and content; and to act as the authorized representative of City of Middletown; and that the City of Middletown agrees to fulfill the required 50% cash match of the CCCG program by combining private funding and/ or City investments.

APPROVED, AS SUBSTITUTED

RESOLUTION No: 05-22; K: review/ resolution/ ECD challenge grant RES 05-22 – 13 Jan 2022

WHEREAS, the Connecticut Department of Economic and Community Development (“DECD”) is undertaking a competitive grant application process to fund multiple projects under the CT Communities Challenge Grant Program (CCCG) in an effort to improve livability, vibrancy, convenience and appeal of communities throughout the state; and

WHEREAS, Public Act No. 21-2 (2021), Sec. 488 authorizes the DECD Commissioner, in coordination with the Secretary of the Office of Policy and Management, to implement this Program under the state’s Economic Action Plan; and

WHEREAS, as part of the grant application process, the City of Middletown’s Common Council request the funding, undertake the project(s), and partner with the private entity and others on the development team(s); and

WHEREAS, it is desirable and in the public interest that the City of Middletown make an application to the State for this grant and partner with the YMCA, DFC of Main Street 420 LLC, DFC of Middletown, LLC, and 545 Main Street, LLC (the “Partners”) on projects to redevelop underused buildings and build affordable housing and new retail spaces downtown; and

NOW, THEREFORE, BE IT RESOLVED BY THE COMMON COUNCIL OF THE CITY OF MIDDLETOWN:

1. That the City of Middletown is cognizant of the conditions and prerequisites, including the match obligations for the state financial assistance imposed by Public Act No. 21-2 (2021), Sec. 488, the CT Communities Challenge Grant (CCCG) program;
2. That the filing of an application for State financial assistance by City of Middletown in an amount not to exceed \$ 6,000,000 is hereby approved and that Mayor is directed to execute and file such application with the Connecticut Department of Economic and Community Development, to provide such additional information, to execute such other documents as may be required, subject to review of such documents by the Office of General Counsel as to form and content; to execute an Assistance Agreement with the State of Connecticut for State financial assistance if such an agreement is offered, subject to review of such documents by the Office of General Counsel as to form and content; to execute any amendments, decisions, and revisions thereto, subject to review of such documents by the Office of General Counsel as to form and content; and to act as the authorized representative of City of Middletown.
3. That the City of Middletown agrees to fulfill the required 50% cash match of the CCCG program by combining private funding and/ or City investments.

FINANCIAL IMPACT – This resolution is a required component for a grant application to the State of Connecticut Department of Economic and Community Development for improving livability, vibrancy, convenience and appeal of communities. If successful, an award of up to \$6,000,000 could be received. The grant requires a 50% private and/or public match.

Councilman Eugene Nocera reads the resolution and moves to approve. Councilman Philip Pessina seconds the motion.

Councilman Nocera states that he fully supports this resolution. He asks Economic & Community Development Director Joseph Samolis to explain this resolution to the Councilmembers, including the purpose of this special meeting.

Director Samolis thanks Middlesex County Chamber of Commerce Vice-President Jeff Puglise for speaking in support of this resolution. He notes that the City's Economic Development Specialist Tom Marano and Mr. Puglise have been doing yeoman's work as he and General Counsel Brig Smith have been working on the Tax Incentive Workshop materials, as requested by the Council. This resolution is a requirement of the grant application. The grant is for revitalization of communities. Specifically, what they are looking to do is revitalize certain buildings on Main Street that are key to continued success downtown. He will review briefly so Councilmembers have some idea what they are looking to do. He will summarize the properties. The first property is 99 Union Street, which is the YMCA. The low income housing for men at the YMCA is in desperate need of a new HVAC system. They are looking to incorporate that request in this grant application. The second property is 545 Main Street. As discussed at the previous meeting, the tax incentive application and abatement ordinance that had been approved for workforce housing. They are looking for State grant to facilitate the rest of this development. He adds that as well as properties owned by Dominic DiMartino. Many Councilmembers know that he owns the building that was Shlien's on Main Street as well as the three (3) buildings to the north of Sicily's is to put it in context. Those properties are 418, 422, 428 and 584 Main Street. These projects are shovel ready. DECD (State Department of Economic & Community Development) is looking to distribute these funds fairly quickly within a month or two. They are looking for municipalities to move quickly on using these funds. The grant requires a 50 percent match, which is really a 1:1 match. Whatever we apply for, in this case up to \$6M, there would be a required match of up to \$6M. Earlier today, his office sent out letters from the three three (3) property owners or developers, indicating their commitment to make that 50 percent or a 1:1 match.

**MIDDLESEX YMCA**

FOR YOUTH DEVELOPMENT
FOR HEALTHY LIVING
FOR SOCIAL RESPONSIBILITY

1/10/2022

Northern Middlesex YMCA
99 Union Street
Middletown, CT 06457

Honorable Common Council of Middletown,

The YMCA is grateful to be included in the City of Middletown's DECD CT Communities Grant Program Application. This grant intends to improve the livability, vibrancy, convenience, and appeal of communities. If funded, the Northern Middlesex YMCA will install a new energy-efficient gas-powered HVAC system to serve our 62 Single Room Occupancy (SRO) Housing for low-income men. This 1.5 million dollar project will significantly improve livability and preserve this housing for future men in need.

The Northern Middlesex YMCA is prepared to meet the 50% grant match and has the resources to invest the \$500,000 match required for a \$1,000,000 grant award. We are honored to be included in this funding partnership and deeply committed to the goals and objectives of the DECD grant.

Sincerely

Michele Rulnick
President/CEO

MIDDLESEX YMCA
99 Union Street, Middletown, CT 06457
P 860-347-6907 F 860-343-6254 www.midymca.org



DFC of Middletown, LLC

920 South Colony Road
Wallingford, CT 06492
203-269-3971

January 11, 2022

Common Council
City of Middletown
245 deKoven Drive
Middletown, CT 06457

Dear Members of the Common Council:

I am writing today to affirm my commitment to the City of Middletown's application to the CT Communities Challenge Grant Program.

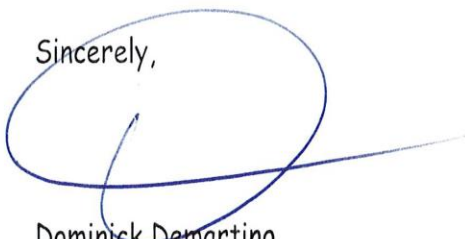
I understand that the grant program requires a 50% match of private capital, and I hereby commit to that investment for my portion of the proposal.

I look forward to working with the city, the Middlesex County Chamber of Commerce, and other stakeholders, as we strive to make our city an even better place to live, work and play.

Should you have any questions regarding this letter or my commitment to this project, please contact me at dominick@demartinoinvestments.com.

Thank you very much.

Sincerely,



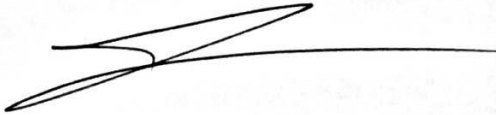
Dominick Demartino
DFC of Middletown, LLC

545 Main Realty, LLC
545-547 Main Street
Middletown, CT 06457

Dear Common Council,

Thank you for your continued support of our 545 Main Street development. We want to assure you that we're aware of the 50% local match requirement for the CT Communities Challenge Grant. We will be able to fulfill the financial obligation for our specific project as required by the State of Connecticut-DECD.

With gratitude,

A handwritten signature in black ink, consisting of a stylized, elongated 'J' followed by a horizontal line and a small flourish.

J.R. Carnegie-Hargreaves

Director Samolis continues, stating that these individuals will match dollar for dollar what they get from this Federal grant. There is no local municipal contribution; however, if the Council wants to grant additional incentives down the line, they can. The language allows that within the grant. For the record, each developer is required to match what they are given within this grant, is we do receive it. It's a great program, noting it is the first of its kind. OPM (State Office of Policy & Management) has allocated \$25M for this first round. The second round is slated for Spring. If we are not successful, we will submit an application in the next round. He believes that these projects are shovel ready, critical for downtown infrastructure rehabilitations. It reaches all part of our community, from the very poor to market residential, commercial elements and community elements all wrapped into this proposal. He thinks it is very well rounded. They are hopeful they will get the \$6M from DECD for this grant. He is happy to answer questions.

The Chair calls on Councilman Grady Faulkner, Jr.

Councilman Faulkner asks what is DFC, what do they do.

Director Samolis replies that is the developer's licensed name. It is Dominic DiMartino, the developer that renovated and constructed Sicily Restaurant downtown. He has acquired the four (4) buildings that he mentioned before: 418, 422, 428, and 584 Main Street. He is looking to renovate these buildings to create additional commercial space as well as residential space.

Councilman Faulkner states it is good that they will be occupied. Thank you.

The Chair calls on Councilman Philip Pessina.

Councilman Pessina states that he applauds the three (3) applicants, as well as Chamber Vice-President Jeff Puglise, the City's Economic Development Specialist Tom Marano, and the Mayor's staff for trying to do this. This is a holistic approach to economic development downtown. When you bring residents downtown to live, to take part in the businesses, to produce the vibrancy of downtown. It is not just for our residents. Our downtown is a destination. He can go to bat with anybody that it's not. If they can get this grant and get the downtown development, he thinks we will go one more level. When they had Holiday on Main Street, they had over 6,000. Why? Middletown is on the cusp of doing great things and we are on the cusp again of making more apartments downtown, a great social mix for all socioeconomic levels for the betterment of the community, least of which are the business owners downtown, who will see a great influx of people. It's a holistic approach. Kudos to those who put this together, adding that it has his full support. Thank you.

The Chair states that there is much more that can be said He echoes the comments and thanks everyone. The timing of this could not be better and having the support of the Council will hopefully do a lot in helping to get this done.

There being no further discussion, the Chair calls for the vote. It is approved unanimously with 11 aye votes. (AYE: Councilmembers Blackwell, Carta, E. Ford, Faulkner, Gennaro, Loffredo, Mangiafico, McKeon, Nocera, Pessina, and Salafia; ABSENT: Councilman D. Ford). The matter is approved.

5. Meeting adjourned

Councilman Grady Faulkner, Jr. moves for adjournment. Councilman Philip Pessina seconds the motion. There being no discussion, the Chair calls for the vote. It is approved unanimously with 11 aye votes. (AYE: Councilmembers Blackwell, Carta, E. Ford, Faulkner, Gennaro, Loffredo, Mangiafico, McKeon, Nocera, Pessina, and Salafia; ABSENT: Councilman D. Ford). The matter is approved.

The meeting is adjourned at 8:26 PM.

ATTEST:
LINDA S.K. REED,
COMMON COUNCIL CLERK

K: review/ minutes/ 22 January 13 – special meeting – challenge grant -- 13 January 2022